



0000039253

**OPEN MEETING**

**ORIGINAL**

**MEMORANDUM**

**RECEIVED**

**TO: THE COMMISSION**

2001 NOV 15 P 3:26

**FROM: Utilities Division**

AZ CORP COMMISSION  
DOCUMENT CONTROL

**DATE: November 15, 2001**

**RE: IN THE MATTER OF THE APPLICATION OF CITIZENS UTILITIES RURAL COMPANY, CITIZENS TELECOMMUNICATIONS COMPANY OF THE WHITE MOUNTAINS, INC., AND NAVAJO COMMUNICATIONS COMPANY, INC., FOR APPROVAL OF A RESALE INTERCONNECTION AGREEMENT WITH PARCOM COMMUNICATIONS OF ARIZONA (DOCKET NOS. T-03214A-01-0767, T-01954A-01-0767 AND T-02115A-01-0767)**

On September 27, 2001, Citizens Utilities Rural Company, Citizens Telecommunications Company of the White Mountains, Inc., and Navajo Communications Company, Inc. ("Citizens") filed an Application for approval of an Interconnection Agreement between Citizens and PARCOM Communications of Arizona ("PARCOM"). The Agreement shall be effective upon Commission approval and shall remain in effect for one successive one (1) year periods. The Agreement shall remain in force and effect until terminated by either party on sixty (60) days written notice prior to the end of the then-existing contract period. The Agreement governs the terms and conditions under which Citizens will offer interconnection services to PARCOM.

The Telecommunications Act of 1996 ("1996 Act") directed incumbent local exchange carriers to make their networks available for interconnection and resale by new entrants to the local exchange market. The 1996 Act provides for interconnection and resale agreements to be concluded by voluntary negotiation. This Agreement between Citizens and PARCOM was voluntarily negotiated, without resort to arbitration.

Under the terms of the Agreement, Citizens will provide specified local exchange services for Interconnection and Resale to PARCOM. Generally, Citizens services will be made available to PARCOM for resale at a twelve (12) percent discount for residential customers and for business customers.

According to the 1996 Act and State Rule, the Commission must approve voluntarily negotiated interconnection and resale agreements if their provisions are non-discriminatory and in the public interest. Staff has reviewed the Agreement and finds it to be non-discriminatory and in the public interest. Citizens is offering the same terms and conditions of the Agreement to all other interested parties. The Agreement is in the public interest because it will act to further competition in the local exchange market in Arizona.

Arizona Corporation Commission

**DOCKETED**

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THE COMMISSION

November 15, 2001

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Since there are no grounds for rejection of the Agreement pursuant to Section 252(e)(2)(A) of the 1996 Act, Staff recommends that the Commission approve the Interconnection Agreement between Citizens and PARCOM.



Ernest G. Johnson

Director

Utilities Division

EGJ:EAA:rdp/MAS

ORIGINATOR: Erinn Andreasen

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 WILLIAM A. MUNDELL  
Chairman  
3 JIM IRVIN  
Commissioner  
4 MARC SPITZER  
Commissioner  
5

6 IN THE MATTER OF THE APPLICATION OF ) DOCKET NOS. T-03214A-01-0767  
CITIZENS UTILITIES RURAL COMPANY, ) T-01954A-01-0767  
7 CITIZENS TELECOMMUNICATIONS COM- ) T-02115A-01-0767  
PANY OF THE WHITE MOUNTAINS, INC., )  
8 AND NAVAJO COMMUNICATIONS COM- )  
PANY, INC., FOR APPROVAL OF A RESALE ) DECISION NO. \_\_\_\_\_  
9 INTERCONNECTION AGREEMENT WITH )  
PARCOM COMMUNICATIONS OF ARIZONA ) ORDER

10  
11 Open Meeting  
November 27 and 28, 2001  
12 Phoenix, Arizona

13 BY THE COMMISSION:

14 FINDINGS OF FACT

15 1. On September 27, 2001, Citizens Utilities Rural Company, Citizens  
16 Telecommunications Company of the White Mountains, Inc., and Navajo Communications  
17 Company, Inc. ("Citizens") filed an Application for approval of an Interconnection Agreement  
18 between Citizens and PARCOM Communications of Arizona ("PARCOM"). The Agreement  
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24 2. The Telecommunications Act of 1996 ("1996 Act") directed incumbent local  
25 exchange carriers to make their networks available for Interconnection and Resale by new  
26 entrants to the local exchange market. The 1996 Act provides for interconnection and resale  
27 agreements to be concluded by voluntary negotiation.

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1 SERVICE LIST FOR: Citizens Utilities Rural Company, Inc., Citizens Telecommunications  
2 Company of the White Mountains, Inc., Navajo Communications Company, Inc. and PARCOM  
3 Communications of Arizona

4 DOCKET NOS. T-03214A-01-0767 and T-0954A-01-0767 and T-02115A-01-0767

5  
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16 Chief Counsel  
17 Arizona Corporation Commission  
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19 Phoenix, Arizona 85007

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23 1200 West Washington  
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